

Report of the Capital Improvements Planning Committee

Introduction

The Capital Improvements Planning Committee is charged with reviewing “proposed capital outlays, projects and improvements involving major tangible assets and projects” with a view to recommending and prioritizing those capital improvement projects which should be undertaken over the next five years. These assets and projects are defined as those costing over \$25,000 and having a useful life of five years or more. Our charge is to prepare a capital budget for the next fiscal year, considering the relative need, impact, timing and cost of the various requested expenditures, as well as to project a capital program for the next five years. The following narrative and the chart at the end of this report outline the FY2024 capital budget, as well as projections for the capital program for the next five years, through FY2029.

Summary

If all of the FY2024 requests are approved, we will spend a total of \$2,126,640 on new and existing capital expenditures (including regionally assessed debt). For FY2024, this spending breaks down as follows:

- \$1,307,102 in general fund debt payments
- \$120,000 on Town projects funded by CPA
- \$699,538 tax levy, free cash or redirected prior appropriations

Policy

- The Town and the Select Board shall adhere to the Capital Improvement by-law, by ensuring that all capital spending requests are placed on a Town Meeting warrant only after they have been evaluated and prioritized by the Capital Improvements Planning Committee.
- The Town’s capital improvement program shall provide for consistent debt service and capital spending that is as close to level as possible over time, so that taxes do not fluctuate excessively due to capital spending.
- The Town and the Finance Committee shall support maintenance budget lines adequate to maintain the value and condition of the Town’s buildings and equipment in a proactive manner.
- The Facilities Maintenance Program shall incorporate energy efficiency as a central part of its mission and shall work in concert with the Energy Committee to carry that out.

Recommendations

The Committee recommends that the Town continue the process that will result in a formal and permanent Facilities Management Program, by ensuring that the implementation phase is adequately staffed and funded going forward. The Committee recommends that the Town continue the feasibility, design and planning work with the Council on Aging and the two other member towns for a future renovation of the Howes House, while also managing the town’s debt

costs. Further, that the use of Community Preservation Historic funds be pursued as part of the funding for renovations.

Recent Events Affecting the Capital Program

- Progress has continued on catching up deferred maintenance on town buildings, and prioritizing and implementing a long-term facilities plan. The Facilities Management committee has been meeting regularly to move this process ahead and to develop and prioritize the upcoming town-wide facilities maintenance needs. Going forward, only incidental maintenance and custodial expenses will remain in the individual departmental budgets.

Requested Capital Projects FY2024 – FY2029

A chart with accompanying notes for the FY2021 items follows. The Committee has set priorities for the capital requests using this coding:

<u>Priority Code</u>	<u>Meaning</u>
1	This project must be completed , as it is necessary for public health and safety, to meet our legal obligations or for reasons of fiscal prudence.
2	This project should be completed to maintain or expand our existing assets.
3	This project is useful but not essential at this time.

(Please note that projects are rated according to their present priority, so may get a higher priority as time goes by.)

Affordable Housing. The Affordable Housing Committee is working on developing the next project at the intersection of Lambert's Cove Road and State Road, using funds already appropriated to the Affordable Housing Trust Fund. The committee is also developing a new program to help fund increased development of affordable accessory apartments.

Energy Committee. In response to the passage of the 100% Renewable by 2040 resolution at Town Meeting, the Energy Committee is working on a 5-10 year plan to renovate our municipal buildings so that they are more energy-efficient and ready to be converted to meeting all their energy needs with electricity generated from renewable sources. The intent is for the cost of additional solar arrays and battery banks to be funded by grants or developers, but the cost of making town buildings ready for these installations will need to be borne by the Town.

As part of this effort, the Up Island Regional School is planning for a renovation to upgrade the West Tisbury School with respect to energy to reach 100% renewable status by 2040. It is likely this renovation will also include an addition for operational needs.

In addition, there will be a FY 2024 request for up to \$35,858 to purchase and install two electric vehicle chargers to be installed at the West Tisbury

School. A portion of these costs may be covered or reimbursed by grant funding.

Fire Department. There will be a \$100,000 FY 2024 request to add more funds to the Fire Equipment Stabilization Fund, in preparation for the replacement of a tank truck and the chief's command vehicle over the next 3-5 years.

Highways. There will be a \$95,000 FY 2024 request to purchase a new dump truck for the department, with a plan to replace the oldest pickup truck for the department and purchase a second pickup truck over subsequent years.

The Planning Board's Complete Streets Sub-Committee was granted funding from Mass Trails in June, 2022 in the amount of \$115,000. These funds will pay for a consultant to draft a design to create connector paths along Old County Road; the design is expected to be completed in April 2023. Public meetings to publicize the design and take comments will follow.

Library. The HVAC system in the library is failing only nine years into its expected 15-year life, but the manufacturer is out of business. By Town Meeting, the town will have spent at least \$100,000 trying to keep the system marginally operational. After a review of a consultant's report on options, it is clear that a repair that is advisable is to replace the entire system except for the existing duct work. This work will be invasive but it is clear that a less complete option will not be a permanent solution. The complete replacement option could cost as much as \$1.2 million. There will be request for authorization to borrow this amount at the town meeting and on the ballot.

Police. The police have adopted a program of replacing one vehicle every 18 months. The FY 2024 \$43,500 request continues that program.

Schools. The high school has secured MSBA approval to proceed with a major renovation of the school building. The next step is a feasibility study that will determine the scope and cost of the project. There will be a FY2024 request for authorization for the high school district to borrow \$2 million to fund this study, together with a new formula for sharing capital costs for the high school district.

Both of the Up Island elementary schools are beginning to plan for energy upgrades to meet the goal of using 100% renewable energy by 2040. These will be large projects themselves, but has also brought forward a discussion about what other upgrades may be needed. To that end, there will be a FY 2024 request for \$120,000 to fund a space needs study for the West Tisbury School, focused primarily on the educational program needs. The Capital

Improvements Committee has given this request the lowest priority because it feels this study is premature, given the likely timing of the larger project.

In addition, there will be a request for \$194,600 to bring in additional electric service to the school building and to replace some aging components in the HVAC system. West Tisbury would be responsible for 80% of these costs.

Town Buildings. There will be a \$150,000 FY 2024 request to continue the work of ongoing maintenance and repairs to buildings on a coordinated town-wide basis.

The Howes House Building Committee is in the design and planning phase for a full renovation and expansion of the facility which houses the Up-Island Council on Aging. At this writing that design and planning is focused on working toward a funding agreement with the other two member towns, in evaluating the programmatic and space needs that may be able to be accommodated in other town buildings such as the library, completing assessments of utility and nitrogen-loading needs and restrictions, and a town-wide visioning effort that will better inform the direction of the project.

Tri-Town Ambulance. There are three Tri-Town ambulances, one stationed in each town. A portion of the ambulance service receipts are designated for and are expected to fund the purchase of the next ambulance, which will likely be purchased in FY2024. The ambulance service goal is to purchase a new ambulance every five to six years thereafter.

The project to construct a new building to house the Ambulance administrative office and equipment barn in the Town of Chilmark is currently on time and on budget. West Tisbury has agreed to bear up to one-third of this facility's cost, the total cost for which is currently estimated at \$5.8 million. These costs may be reduced somewhat by future ambulance receipts.

The Committee thanks the Town departments and regional entities for their assistance and input. We are still missing one At-Large member, and encourage any interested parties to contact the Select Board's Office.

Respectfully submitted,

Larry Schubert (Assessors)
Richard Knabel (At-Large)
Kathy Logue (Treasurer)
Bruce Stone (Town Accountant)

Matthew Merry (Planning Board)
Cynthia Mitchell (Select Board)
Clark Rattet (Finance Committee)
Joseph Tierney (Building Inspector)